

MEETING NOTES AND ACTIONS

Thursday 29 August 2019

10:30am Ferguson Marine shipyard, Port Glasgow

Attendees

Michelle Rennie,	Transport Scotland	Director of Major Projects - Interim Chairperson,
Jim Anderson	CMAL	Director of Vessels
██████████	Scottish Government	Finance Manager
Tim Hair	Ferguson	Turnaround Director
Douglas Hyslop	Scottish Enterprise	Senior Executive
Alex Logan	Workforce Rep	GMB Shop Steward at Ferguson
Duncan Mackison	David MacBrayne Ltd	Chief Executive
██████████	Transport Scotland	Ferries Unit (secretariat)

Apologies

Tim McDonnell	Marine Scotland	Head of Marine Scotland Science
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No.	Action	Responsibility
1.1	Provide an update on deterioration of 801/802 <i>Covered during the meeting</i>	JA/AL
1.2	Ascertain current status of design work <i>Covered during the meeting</i>	JA/TH
1.3	Approve list of staff authorised within the yard. <i>Process agreed with Deloitte and approved by TH</i>	TH
1.4	Estimate timescales required to complete robust cost and programme plan - <i>Covered during the meeting</i>	TH
1.5	Workforce / management engagement to be improved – <i>Process started with future engagement being arranged</i>	TH/AL
1.6	Contractor control processes to be examined with the administrator – <i>Process agreed and implemented</i>	TH
1.7	Dependency list to be created for contractor/specialism requirements – <i>Too early to fully assess but plans covered during the meeting</i>	TH
1.8	Ferguson employees on long term temporary contracts to be reviewed – <i>see 1.6 above</i>	TH
1.9	A plan to achieve cost and programme plan will be developed by end August. – <i>Whilst some elements have started a full plan has been delayed one week to ensure all considerations are included.</i>	TH
1.10	A risk register will be created – potentially using the SG templates - <i>Work started and draft Risk Register will be circulated prior to next meeting</i>	Scot Gov/TH
1.11	Future meeting dates to be agreed. <i>Covered during the meeting</i>	Scot Gov
NEW ACTIONS		
2.1	Concerns around age and condition of equipment to be flagged as priority and plans for action to be developed	TH/AL
2.2	Process for design review to be developed, agreed and actioned	TH/JA

2.3	Identify rework requirements and plans to complete these tasks	JA
2.4	Vessel Condition inspection to be carried out	TH
2.5	Plan for and recruit appropriate additional leadership to meet requirements.	TH
2.6	Plan to develop cost and programme to be developed and circulated before next meeting.	TH
2.7	Risk Register to be completed and circulated in advance of next meeting	TH
2.8	Planning for long term strategy to be co-ordinated by SG to include potential pipeline, private work and governance options for wider ferry interests	Scot Gov

No.	Item	Action
1	Minutes of the meeting on 19 th August were approved Previous Actions would be covered in the discussion	
2	Update from the yard	
2.1	<u>Workforce update.</u> The all hands meeting last week was welcomed by the workforce as a useful start to positive engagement. Management were equally pleased with the positive response and the quantity and quality of questions posed. Concerns remain about the potential level of rework that may be required. There was also a request for early action to address concerns regarding the age and condition of some equipment.	
2.2	<u>Design Review</u> FMEL review team meeting held plus additional discussions with CMAL. Meeting 30 August with all parties to confirm areas where basic design needs closed out. A process is to be developed that enables the design process to be better managed with an outcome for production design plans to be available. Design review process to be chaired by Jim Anderson and to ideally meet twice weekly with actions and outcomes to be followed up. In parallel “owners observations” will be reviewed to determine the level of rework that needs to be addressed. Request for involvement from the end user in this process and this is happening to some degree at present. Yard is mindful of the requirement for future operation issues such as maintenance are woven into the design process.	
2.3	<u>Value Engineering</u> Productivity has dropped, not unusual with any business in difficulties but this now needs to be reversed and will be supported by design finalising and production requirements.	
2.4	<u>Vessel Condition</u> Vessel condition and inspection needs to be completed and this will include examination of previous observations reports. This includes the regulatory authority (MCA/Lloyds) who will sign off the hulls thus enabling internal fitment to commence in earnest on 802	
3	Resourcing	
3.1	<u>Resourcing</u>	

	<p>The need for additional support in the Technical, Design and Planning areas plus stronger programme management has been identified and recruitment process has already started. This is critical to develop the project plan required to support identification of future resource requirements.</p> <p>Also requirements for Marine and Mechanical Engineers to support design process.</p> <p>Offer of support for specialist areas given by CMAL and DML</p> <p>Contractor control has now been resolved but will be kept under consideration as future requirements are identified</p>	
4	Cost and Programme	
4.1	<p><u>Cost and Programme update</u></p> <p>Challenges around meeting the October deadline without introducing caveats and assumptions e.g resource availability.</p> <p>A plan has still be drafted to develop the plan to provide report for this October Deadline. A process has now been developed and this will be shaped into a plan for next meeting.</p> <p>Identifying areas and realising assumptions may require flexibility from the workforce. The workforce are well skilled to support this action</p>	
5	Risk Register	
5.1	<p><u>Risk Register</u></p> <p>This is being developed using an SG template.</p> <p>CMAL will share their existing work to support development of this register which will be circulated in advance of the next meeting</p> <p>This group is focused only on risks around build out 801 & 802</p>	
6	AOCB	
6.1	<p><u>Suppliers</u></p> <p>Payments have been made to secure continuity of the business. There has however not be a carte blanche payment for all overdue payments. Major suppliers largely satisfied with the exception [REDACTED]</p> <p>[REDACTED]</p> <p>Some equipment has been on site for so long (unused) that Warranties have expired and this issue will need to be addressed.</p>	
6.2	Clarity required on longer term future so that decision on site can be relevant and do not compromise the long term future. i.e innovation	
6.3	Date of next meeting – proposed week commencing Monday Sept 16th. Additional meeting dates to be confirmed to mid October	